



General Assembly

January Session, 2015

Governor's Bill No. 6826

LCO No. 3923



Referred to Committee on APPROPRIATIONS

Introduced by:

REP. SHARKEY, 88th Dist.

REP. ARESIMOWICZ, 30th Dist.

SEN. LOONEY, 11th Dist.

SEN. DUFF, 25th Dist.

***AN ACT REVISING THE REQUIREMENTS FOR THE GOVERNOR'S
BUDGET RECOMMENDATIONS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 4-72 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2015*):

3 The budget document shall consist of the Governor's budget
4 message in which he or she shall set forth as follows: (1) The
5 Governor's program for meeting all the expenditure needs of the
6 government for each fiscal year of the biennium to which the budget
7 relates, indicating the classes of funds, general or special, from which
8 such appropriations are to be made and the means through which such
9 expenditure shall be financed; and (2) financial statements giving in
10 summary form: (A) The financial position of all major state operating
11 funds including revolving funds at the end of the last-completed fiscal

12 year in a form consistent with accepted accounting practice. The
13 Governor shall also set forth in similar form the estimated position of
14 each such fund at the end of the year in progress and the estimated
15 position of each such fund at the end of each fiscal year of the
16 biennium to which the budget relates if the Governor's proposals are
17 put into effect; (B) a statement showing as of the close of the last-
18 completed fiscal year, a year by year summary of all outstanding
19 general obligation and special tax obligation debt of the state and a
20 statement showing the yearly interest requirements on such
21 outstanding debt; (C) a summary of appropriations recommended for
22 each fiscal year of the biennium to which the budget relates for each
23 budgeted agency and for the state as a whole in comparison with
24 actual expenditures of the last-completed fiscal year and
25 appropriations and estimated expenditures for the year in progress;
26 (D) for the biennium commencing July 1, 1999, and each biennium
27 thereafter, a summary of estimated expenditures for certain fringe
28 benefits for each fiscal year of the biennium to which the budget
29 relates for each budgeted agency; [(E) a summary of permanent full-
30 time positions setting forth the number filled and the number vacant
31 as of the end of the last-completed fiscal year, the total number
32 intended to be funded by appropriations without reduction for
33 turnover for the fiscal year in progress, the total number requested and
34 the total number recommended for each fiscal year of the biennium to
35 which the budget relates; (F)] (E) a statement of expenditures for the
36 last-completed and current fiscal years, the agency request and the
37 Governor's recommendation for each fiscal year of the ensuing
38 biennium and, for any new or expanded program, estimated
39 expenditure requirements for the fiscal year next succeeding the
40 biennium to which the budget relates; [(G)] (F) an explanation of any
41 significant program changes requested by the agency or recommended
42 by the Governor; [(H)] (G) a summary of the revenue estimated to be
43 received by the state during each fiscal year of the biennium to which
44 the budget relates classified according to sources in comparison with
45 the actual revenue received by the state during the last-completed

46 fiscal year and estimated revenue during the year in progress; and [(I)]
47 (H) such other financial statements, data and comments as in the
48 Governor's opinion are necessary or desirable in order to make known
49 in all practicable detail the financial condition and operations of the
50 government and the effect that the budget as proposed by the
51 Governor will have on such condition and operations. If the estimated
52 revenue of the state for the ensuing biennium as set forth in the budget
53 on the basis of existing statutes is less than the sum of net
54 appropriations recommended for the ensuing biennium as contained
55 in the budget, plus, for the fiscal year ending June 30, 2014, and each
56 fiscal year thereafter, the projected amount necessary to extinguish any
57 unreserved negative balance in such fund as reported in the most
58 recently audited comprehensive annual financial report issued by the
59 Comptroller prior to the start of the biennium, the Governor shall
60 make recommendations to the General Assembly in respect to the
61 manner in which such deficit shall be met, whether by an increase in
62 the indebtedness of the state, by the imposition of new taxes, by
63 increased rates on existing taxes or otherwise. If the aggregate of such
64 estimated revenue is greater than the sum of such recommended
65 appropriations for the ensuing biennium plus, for the fiscal year
66 ending June 30, 2014, and each fiscal year thereafter, the projected
67 amount necessary to extinguish any unreserved negative balance in
68 such fund as reported in the most recently audited comprehensive
69 annual financial report issued by the Comptroller prior to the start of
70 the biennium, the Governor shall make such recommendations for the
71 use of such surplus for the reduction of indebtedness, for the reduction
72 in taxation or for other purposes as in the Governor's opinion are in the
73 best interest of the public welfare.

74 Sec. 2. Section 4-73 of the general statutes is repealed and the
75 following is substituted in lieu thereof (*Effective July 1, 2015*):

76 (a) The budget document shall present in detail for each fiscal year
77 of the ensuing biennium the Governor's recommendation for
78 appropriations to meet the expenditure needs of the state from the

79 General Fund and from all special and agency funds classified by
80 budgeted agencies and showing for each budgeted agency and its
81 subdivisions [; (1) A] a narrative summary describing the agency, the
82 Governor's recommendations for appropriations for the agency, and a
83 list of agency programs, the actual expenditure for the last-completed
84 fiscal year, the estimated expenditure for the current fiscal year, the
85 amount requested by the agency and the Governor's recommendations
86 for appropriations for each fiscal year of the ensuing biennium. [; (2) a
87 summary of permanent full-time positions by fund, setting forth the
88 number filled and the number vacant as of the end of the last-
89 completed fiscal year, the total number intended to be funded by
90 appropriations without reduction for turnover for the fiscal year in
91 progress, the total number requested and the total number
92 recommended for each fiscal year of the biennium to which the budget
93 relates.

94 (b) In addition, programs shall be supported by: (1) The statutory
95 authorization for the program; (2) a statement of program objectives;
96 (3) a description of the program, including a statement of need,
97 eligibility requirements and any intergovernmental participation in the
98 program; (4) a statement of performance measures by which the
99 accomplishments toward the program objectives can be assessed,
100 which shall include, but not be limited to, an analysis of the workload,
101 quality or level of service and effectiveness of the program; (5)
102 program budget data broken down by major object of expenditure,
103 showing additional federal and private funds; (6) a summary of
104 permanent full-time positions by fund, setting forth the number filled
105 and the number vacant as of the end of the last-completed fiscal year,
106 the total number intended to be funded by appropriations without
107 reduction for turnover for the fiscal year in progress, the total number
108 requested and the total number recommended for each fiscal year of
109 the biennium to which the budget relates; (7) a statement of
110 expenditures for the last-completed and current fiscal years, the
111 agency request and the Governor's recommendation for each fiscal

112 year of the ensuing biennium and, for any new or expanded program,
113 estimated expenditure requirements for the fiscal year next succeeding
114 the biennium to which the budget relates; and (8) an explanation of
115 any significant program changes requested by the agency or
116 recommended by the Governor.]

117 [(c)] (b) [There shall be a supporting schedule of total agency
118 expenditures including a line-item, minor object breakdown of] The
119 budget document shall include supporting information on personal
120 services, [energy costs,] contractual services and commodities and a
121 total of state aid grants and equipment, showing the actual
122 expenditures for the last-completed fiscal year, estimated expenditures
123 for the current fiscal year and requested and recommended
124 appropriations for each fiscal year of the ensuing biennium. [,
125 classified by objects according to a standard plan of classification.]

126 [(d)] (c) All federal funds expended or anticipated for any purpose
127 shall be accounted for in the budget. The document shall set forth a
128 listing of federal programs, showing the actual expenditures for the
129 last-completed fiscal year, estimated expenditures for the current fiscal
130 year and anticipated funds available for expenditure for each fiscal
131 year of the ensuing biennium. Such federal funds shall be classified by
132 each budgeted agency but shall not include research grants made to
133 educational institutions.

134 [(e)] (d) The budget document shall also set forth the budget
135 recommendations for the capital program, to be supported by
136 statements listing the agency's requests and the Governor's
137 recommendations with the statements required by section 4-78.

138 [(f) The appropriations recommended for the legislative branch of
139 the state government shall be the estimates of expenditure
140 requirements transmitted to the Secretary of the Office of Policy and
141 Management by the Joint Committee on Legislative Management
142 pursuant to section 4-77 and the recommended adjustments and

143 revisions of such estimates shall be the recommended adjustments and
144 revisions, if any, transmitted by said committee pursuant to said
145 section 4-77.

146 (g) (1) The appropriations recommended for the Judicial
147 Department shall be the estimates of expenditure requirements
148 transmitted to the Secretary of the Office of Policy and Management by
149 the Chief Court Administrator pursuant to section 4-77 plus the
150 estimates of expenditure requirements for the biennium transmitted by
151 said administrator pursuant to section 51-47c, and the recommended
152 adjustments and revisions of such estimates shall be the recommended
153 adjustments and revisions, if any, transmitted by said administrator
154 pursuant to section 4-77.

155 (2) The appropriations recommended for the Division of Public
156 Defender Services shall be the estimates of expenditure requirements
157 transmitted to the Secretary of the Office of Policy and Management by
158 the Chief Public Defender pursuant to section 4-77 and the
159 recommended adjustments and revisions of such estimates shall be the
160 recommended adjustments and revisions, if any, transmitted by said
161 administrator pursuant to section 4-77.]

162 Sec. 3. Section 2-36b of the general statutes is repealed and the
163 following is substituted in lieu thereof (*Effective July 1, 2015*):

164 (a) No later than November thirtieth each year, the joint standing
165 committees of the General Assembly having cognizance of matters
166 relating to appropriations and the budgets of state agencies and
167 finance, revenue and bonding shall meet with the Secretary of the
168 Office of Policy and Management, the director of the legislative Office
169 of Fiscal Analysis, and such other persons as they deem appropriate, to
170 consider the items submitted pursuant to subsection (b) of this section.

171 (b) On or before November fifteenth, annually, the Secretary of the
172 Office of Policy and Management and the director of the legislative
173 Office of Fiscal Analysis shall each submit the following to the joint

174 standing committees of the General Assembly having cognizance of
175 matters relating to appropriations and the budgets of state agencies
176 and finance, revenue and bonding; (1) A consensus estimate of state
177 revenues developed in accordance with subsection (a) of section 2-36c,
178 an estimate of expenditures and ending balance for each fund, for the
179 current biennium and the next ensuing three fiscal years, and the
180 assumptions on which such estimates are based; (2) the projected tax
181 credits to be used in the current biennium and the next ensuing three
182 fiscal years, and the assumptions on which such projections are based;
183 (3) a summary of any estimated deficiencies in the current fiscal year,
184 the reasons for such deficiencies, and the assumptions upon which
185 such estimates are based; (4) the projected balance in the Budget
186 Reserve Fund at the end of each uncompleted fiscal year of the current
187 biennium and the next ensuing three fiscal years; (5) the projected
188 bond authorizations, allocations and issuances in each of the next
189 ensuing five fiscal years and their impact on the debt service of the
190 major funds of the state; (6) an analysis of revenue and expenditure
191 trends and of the major cost drivers affecting state spending, including
192 identification of any areas of concern and efforts undertaken to
193 address such areas, including, but not limited to, efforts to obtain
194 federal funds; and (7) an analysis of possible uses of surplus funds,
195 including, but not limited to, the Budget Reserve Fund, debt retirement
196 and funding of pension liabilities.

197 [(c) On or before November 15, 2010, and annually thereafter, the
198 Secretary of the Office of Policy and Management shall submit to the
199 joint standing committees of the General Assembly having cognizance
200 of matters relating to appropriations and the budgets of state agencies
201 and finance, revenue and bonding for the biennium commencing July
202 1, 2011, and each biennium thereafter, a summary in electronic
203 database format of all nonappropriated moneys held by each budgeted
204 agency, which shall be an accounting of moneys received or held by
205 the agency that are authorized or received by any manner other than
206 as an appropriation, at the end of the last-completed fiscal year in a

207 form consistent with accepted accounting practice.]

208 Sec. 4. Section 4-77 of the general statutes is repealed and the
209 following is substituted in lieu thereof (*Effective July 1, 2015*):

210 (a) The administrative head of each budgeted agency shall transmit,
211 on or before September first of each even-numbered year, to the
212 Secretary of the Office of Policy and Management, on blanks to be
213 furnished by him not later than the preceding August first, and to the
214 joint standing committee of the General Assembly having cognizance
215 of matters relating to appropriations and the budgets of state agencies,
216 through the Office of Fiscal Analysis, and the standing committee
217 having cognizance of matters relating to such budgeted agency,
218 estimates of expenditure requirements for each fiscal year of the next
219 biennium. On or before September first of each odd-numbered year,
220 said agency head shall transmit recommended adjustments and
221 revisions, if any, of such estimates. The secretary shall set guidelines
222 for standard economic and planning factors and for unit costs, based
223 on source of supply, for fuel oil, electricity, gas and water usage by
224 state agencies, which shall be used by all agencies in the preparation of
225 their estimates of expenditure requirements. The expenditure
226 requirements shall be classified to show expenditures estimated for
227 each major function and activity, project or program of the budgeted
228 agency and its subdivisions, grants or aids to governmental units and
229 capital outlay, and shall include details setting forth the estimated
230 expenditures classified by objects according to a standard plan of
231 classification, with citations of the statutes, if any, relating thereto.
232 Each expenditure requirement for any purpose other than capital
233 outlay involving an increase in or addition to any appropriation of the
234 current fiscal year shall be accompanied by an explanation of the
235 increase or addition. Each expenditure requirement involving a capital
236 outlay shall be accompanied by such supporting schedules of data and
237 explanations as may be required by the secretary.

238 (b) The administrative head of each budgeted agency shall transmit,

239 on or before September first of each year, to the secretary, in the form
 240 required by him, and, on or before November fifteenth of each year, to
 241 the joint committee of the General Assembly having cognizance of
 242 matters relating to state finance, revenue and bonding, through the
 243 Office of Fiscal Analysis, a statement showing in detail the revenue
 244 and estimated revenue of the agency for the current fiscal year, an
 245 estimate of the revenue from the same or any additional sources for the
 246 next fiscal year and, in the even-numbered year, for the next biennium.
 247 Said agency head shall include in such statement recommendations as
 248 to any changes in the management, practices, regulations or laws
 249 governing his budgeted agency affecting the amount of revenue from
 250 operations, fees, taxes or other sources or the collection thereof, and
 251 any other information required by the secretary.

252 (c) The administrative head of each budgeted agency shall transmit,
 253 to the Office of Fiscal Analysis, copies of the agency's monthly [(1)]
 254 financial status report, [(2) personnel status report, and (3)
 255 nonappropriated moneys status report which shall be an accounting of
 256 moneys received or held by the agency that are authorized or received
 257 by any manner other than as an appropriation. Such accounting of
 258 nonappropriated moneys shall include, at a minimum, an assessment
 259 of the status of any agency fund or account of such agency receiving or
 260 holding such moneys. Such assessments of such funds and accounts
 261 shall, at a minimum, account for all expenditures, encumbrances,
 262 liabilities, reimbursements and revenues.]

263 (d) If any budgeted agency fails to submit estimates required
 264 pursuant to this section within the time specified, the Secretary of the
 265 Office of Policy and Management shall cause such estimates to be
 266 prepared for the budgeted agency.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2015	4-72
Sec. 2	July 1, 2015	4-73

Sec. 3	July 1, 2015	2-36b
Sec. 4	July 1, 2015	4-77

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]